DOCUMENTS, REPORTS, AND LEGISLATION

Industries and Commerce

The following documents have been published by the federal Bureau of Foreign and Domestic Commerce:

In the Special Agents Series:

No. 126, *Textiles in Cuba* (pp. 56), by W. A. Tucker.

No. 127, *Cotton Goods in British India*: Part II, *Bengal Presidency* (pp. 88), by Ralph M. Odell.

No. 128, *Electrical Goods in Cuba* (pp. 40), by P. S. Smith.

No. 129, *The Danish West Indies, Their Resources and Commercial Importance* (pp. 68), by H. G. Brock, P. S. Smith, and W. A. Tucker.

No. 134, *Electrical Goods in Porto Rico* (pp. 16), by Philip S. Smith.

In the Miscellaneous Series:

No. 46, *Russian Markets for American Hardware* (pp. 111), prepared under the supervision of Henry D. Baker, commercial attaché at Petrograd.

No. 48, *Markets for American Hardware in Germany, the Netherlands, and Scandinavia* (pp. 126), prepared under the supervision of Erwin W. Thompson, commercial attaché.

No. 49, *Markets for American Hardware in France, Algeria, and Morocco* (pp. 61), prepared under the supervision of C. W. A. Veditz, commercial attaché at Paris.

No. 50, *Far Eastern Markets for American Hardware* (pp. 145), prepared under the supervision of Julean Arnold, commercial attaché at Peking.

No. 51, *Lumber Markets of the Mediterranean Region and the Near East* (pp. 31), by Raphael Zon.

The United States Department of Agriculture has issued Bulletin No. 473, *Production of Sugar in the United States and Foreign Countries*, by Perry Elliott (Washington, Feb. 12, 1917, pp. 70); *Commercial Handling, Grading, and Marketing of Potatoes* (Nov. 1, 1916, pp. 40); *Statistics of Fruits in Principal Countries*, by H. D. Ruddimann (Feb. 14, 1917, pp. 40).

The Coöperative League of America (70 Fifth Ave., New York City) has for circulation various reprints dealing with consumers' coöperation and coöperative stores.

The Extension Service of the Massachusetts Agricultural College

has published a small pamphlet on the *Cost of Distributing Milk in Six Cities and Towns of Massachusetts* (Amherst, March, 1917, pp. 8). This investigation was undertaken by Professor A. E. Cance and Richard H. Ferguson, of the department of economics of the college. The cities chosen for the study are Amherst, Walpole, Haverhill, Pittsfield, Springfield, and Worcester. The average cost of preparing and retailing milk for 42 plants in Springfield and Worcester was 2.79 cents per quart for an average daily delivery of 165 quarts of retail milk per wagon. Among the conclusions to be noted is that there is a wide variation in cost and that there is no marked relation between cost and size of business.

Corporations

THE BROOKLYN EDISON CASE DECIDED. The Public Service Commission of New York, First District, on October 27, 1916, rendered the decision in the rate case instituted in July, 1912, against the Edison Electric Illuminating Company of Brooklyn. The decision, especially the opinion by Commissioner Hayward, should have considerable interest to students of economics and political science. Large financial interests are involved, and several important points of view are presented. Following is a brief analysis of the case.

The commission fixed the valuation of the property at $22,000,000 and allowed a return of 7 per cent on the amount. It estimated the necessary annual operating expenses, including depreciation, uncollectible bills and taxes, at $4,260,000, the return on investment at $1,500,000, and the total revenue to be collected from the public at $5,760,000. In 1915 the total revenue at existing rates amounted to $6,927,000 placing upon the public an unreasonable charge of about $1,500,000. The commission, therefore, ordered such reductions in rates as would fix the return on the investment at $1,500,000 and would leave a reasonable reserve for contingencies.

Against the commission's valuation of $22,000,000 the company claimed $39,000,000, or $17,000,000 in excess. This difference is due chiefly to overhead and so-called intangible items. As to the physical appraisal, the commission and the company were practically in agreement, except that the commission made a reduction for depreciation while the company argued against the deduction. In most of the disputed items, the difference was due largely to the fact that the commission allowed only actual expenditures as shown by records and accounts, while the company based its claim on hypothetical amounts or percentages supported by special calculations and opinion. Here we strike the usual difficulties besetting a rate case.

The more important disputed points of special interest are: (1) stock issued between 1880 and 1883 for licenses for the use of certain Edison patents; (2) stock issued for organization or promotion, not representing actual investment; (3) securities issued in connection with the consolidation of earlier companies into the present system; (4) charges that had been made to operating expenses but should properly have been placed to capital account.

In regard to the first point, the commission refused to include in the valuation intangible rights which presumably had expired and for whose amortization there had been sufficient income. If the licenses had been amortized, this cost would have automatically appeared among the property covered by the appraisal. As to the second point, the commission would not admit capitalization which did not represent actual investment; and all real investment, with reasonable allowance for organization expenses, was included in the appraisal or was otherwise provided for.

The third point is particularly important. Originally there were several lighting companies in Brooklyn, but by 1900 they had been combined into and have since constituted a single operating system. The consolidation was effected chiefly through merger, resulting in the retirement of old securities and the issue of new; the exchange was based chiefly on the relative earning power of the merging companies and the expected profits of the new organization. Naturally, therefore, a large increase in total capitalization took place without corresponding additional investment. Full interest, however, has been paid throughout on the bonds and, except for the early years of the new system, 8 per cent dividends on the stock. The question, then, was: How should the increase in capitalization be treated in the valuation on which to base future return? That the unified control and the resulting monopoly were a public gain, can scarcely be doubted. And, at least partly as a result of combination, sufficient savings were made to pay interest and dividends on the new securities. Further, the consolidation probably could not have been brought about without the increase in capitalization. The company, therefore, claimed the net addition as cost of consolidation, which was justified by the more economical operation and should be included in the valuation precisely as are all necessary organization expenses.

The commission did not allow the claim. It viewed the amount as a special monopoly value, which cannot be used as a basis for rate making. And, in harmony with this view, it took the strict position that a fair return rests on property devoted to public uses and not on

securities issued. The point involved, so far as the writer knows, was never before so definitely set forth and argued by a company; and the commission's view may therefore serve as a leading and commendable precedent.

Under the fourth point, the company claimed over four million dollars which had been charged to operating expenses but which under strict accounting rules should have gone to capital account. But since these items were included among expenses, they formed part of the computation on which the new rates are based; for the new rates are expected to be high enough to provide for all operating expenses and return on investment. If, then, the public is to pay all items classed by the company as operating expenses, it should not be compelled to pay also a return on some of the items on the ground of investment. Otherwise it would be contributing capital under the guise of expenses, and then also pay the company a return on the amount. If, however, the items had been included in the valuation, there would have been necessarily a corresponding reduction in the estimated operating expenses; then, while the consumers would pay a larger amount for return on investment, they would pay correspondingly less for operating expenses, and so would have the same total burden that they will have under the computations as made. The commission, therefore, did not consider it worth while to reconstruct the capital account and to modify the entire expense calculation accordingly. And, it should be added, the actual calculation followed the usual accounting practice. In a large proportion of the items it would be impracticable to make the charges to capital account.

The chief basis of calculation was actual or installation cost, both as to physical property and overhead, with deduction for depreciation. In the matter of land, however, present value was used in line with the definite decisions in the Consolidated Gas case and the Minnesota rate cases. In the review of rate cases the courts usually regard reproduction cost, with deduction for depreciation, as the equivalent of value. The actual cost basis in the present case, therefore, is a departure from the ordinary procedure. The company agreed to the method, and it is pointed out in the opinion that the valuation is greater than would have been obtained under reproduction cost. But in most of the discussion the language does not draw attention to the special basis used. Much is said about capitalization entitled to return and about actual investment. The intention seems to have been, or there is a suggestion to that effect, to keep within the broad valuation formula of *Smyth* v. *Ames* and the usual dicta of the courts, but nevertheless to help in the

establishment of actual cost as the basis of valuation for rate making. The case was admirably suited for this purpose.

A final point which seems especially worth considering is the commission's procedure in fixing service rates. The general ideal of commission rate making has been cost of service, including in the cost all operating expenses and a fair return on investment. In a complex utility, as in the present case, the cost can be determined only as a whole, and not for different classes of service. Too many of the expenses are joint, and do not permit even an approximate allocation to classes of service. And a single rate equal to average cost simply would not work. Differential rates must be permitted, so that the commissions always face the question in a case of how practically to fix the differentials.

In the present case, the company's existing rates varied from eleven cents per kilowatt hour for small consumers to less than two cents for large consumers. The commission assumed that in general the lower classes of rates were not excessive and then ordered such reductions in the higher classes that the new rates should produce just enough revenue to bring the total revenue from all classes up to the estimated total cost. Care, however, was taken that the smaller consumers should pay the direct expenses involved in their service, and the company was ordered to rearrange the lower rates on a more systematic plan so as to eliminate discriminations.[1]

While the commission did not set forth any definite formula to be followed hereafter in the fixing of rates, it, nevertheless, did mark out or suggest an interesting procedure in dealing with complex utilities whose costs in providing service are largely joint. The total revenue from all classes must, of course, be equal to the total cost—including both operating expenses and return on investment. But the lower rates for large consumers are fixed according to the value of the service, *i.e.*, according to strict commercial considerations. Higher rates, applying to small and middle consumers, then need to furnish only the additional revenue required to make up the total costs. To the writer, this appears as a reasonable policy. The larger consumers can protect themselves provided that discrimination within a class is not permitted and arbitrary changes are not allowed. It is the smaller consumers who need such relief as may be granted.

[1] For the higher class rates, the commission fixed eight cents per kilowatt hour for the first two hours average daily use per month of the estimated maximum demand of the consumer; six cents for the second two hours average daily use per month, and four cents for the excess over four hours average daily use per month. The old rates included the supply of lamps, while under the new, the consumer furnishes his own lamps; or the company may charge one half cent per kilowatt hour for lamp service.

Here we come upon a large question of social policy. If a company is making excessive earnings, is it not reasonable, so far as possible, to relieve the poorer classes in the community? As applying to local utilities the rate schedules may for the most part be fixed so as to relieve the poorer consumers, though, of course, the dividing line between where relief should be granted and where not, would have to be made more or less arbitrarily. But as applying to railroads, manifestly no such policy could practically be carried out; the business is too complex. Specific costs for each class of service could not be determined. Differential rates would have to be permitted, and the basis of the differential would simply have to be the value of service. If, then, the return on investment is to be limited to a fair rate, the net earnings above the total costs would best be taken for general public purposes, instead of being granted as relief to the smaller consumers. This point, however, is not treated by the commission. Yet it seems involved in any comprehensive rate theory that follows the order of the present case.

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Telegraph Competition vs. *Government Ownership* is a letter by Clarence H. McKay, president of the Postal Telegraph-Cable Co., to Senator Newlands, showing the financial disadvantage and loss that would result if the government should take over the telegraph system of the United States.

Bearing upon the subject of public ownership is the report made to the House of Representatives (July, 1916) on *Municipal Ownership of Street Railways in the District of Columbia* (64 Cong., 1 Sess., Report No. 952). The majority report covers 26 pages, and the minority report 19 pages.

The *Report of the Public Service Commission of Maryland for 1916* (Baltimore, 1917, pp. 829) contains the decisions of the commission, among which is especially to be noted the investigation of the rates and charges, property and affairs of the Havre de Grace and Perryville Bridge Co., filed September 1, 1916 (pp. 417-453). Another case involving the subject of valuation is the Chesapeake and Potomac Telephone Company (pp. 143-214).

The solicitors, Cassoday, Butler, Lamb and Foster, for the complainants in the case of William A. Read *v.* Central Union Telephone Co. have reprinted *The Opinion Rendered by Judge Dever January 20,*

1917, in the Superior Court of Cook County, Illinois. This is an interesting case bearing upon the history and development of the telephone industry.

A revised edition of the *Laws of Maryland Relating to Business Corporations* (Baltimore, March, 1917, pp. 73) has been received from the State Tax Commission of Maryland.

Among the railroad pamphlets recently received are: *Some Conditions which the Railroads Face at the Opening of 1917* (Feb., 1917, pp. 19), by A. J. County, vice-president of the Pennsylvania Railroad Company; *The Shippers; Their True Relation to the Railway Equipment Company* (pp. 16), an address delivered December 15, 1916; *Some Business Aspects of the Railroad Problem* (pp. 12), by Walker D. Hines, chairman of the board of directors of the Atchison, Topeka and Santa Fe Railroad Company, delivered January 31, 1917.

Labor

Relating to the eight-hour day railroad dispute of last summer are the briefs before the Supreme Court of the United States presented during the October term, 1916. Among these are to be noted: *Brief for the United States* in the case of Francis M. Wilson *v.* Receivers of the Missouri, Oklahoma and Gulf Railway Co. (pp. 18); *Summary of Appellant's Arguments* (pp. 96); *Supplemental Memorandum for Appellant* (pp. 4); *Brief for the Appellees,* John G. Johnson, Arthur Miller, and Walker D. Hines (pp. 120); *Supplemental Brief* of the appellees (pp. 17); *Appellees' Reply to Supplemental Memorandum for Appellant* (pp. 7); *Appendix A to Brief for Appellees,* dealing with the methods of reckoning compensation of train-service employees. With these is the transcript of record filed November 28, 1916 (pp. 54).

The Bureau of Railway Economics has prepared a typewritten list of references to books and articles on the Adamson law of September 19, 1916, and also a list of references relating to the eight-hour working day and to limitations of working hours in the United States with special reference to railway labor.

There has been received from the Bureau of Information of the Eastern Railways (Grand Central Terminal, New York City) two volumes relating to the *Proceedings in the Arbitration Case Between the Railroads and the Switchmen's Union of North America.* The first volume contains the testimony taken November 13-24, 1916 (pp. 801). The second volume contains the testimony taken November 27-

December 8, and also the briefs of the Switchmen's Union and the railways, with the award (pp. 803-1495, 44, 22, 10).

The Minimum Wage Commission of Massachusetts, in Bulletin No. 13 (Dec., 1916) deals with *Wages of Women in Men's Clothing and Raincoat Factories in Massachusetts* (Boston, pp. 60). This commission has also published its *Fourth Annual Report* for 1916 (pp. 55).

From the Cleveland Chamber of Commerce has been received a pamphlet on *Industrial Profit Sharing and Welfare Work* (April, 1916, pp. 85), which contains brief summaries of the operations of a large number of manufacturing and distributing plants.

The *Report of the Industrial Accident Commission of California for 1916* (pp. 152) contains interesting diagrams and charts.

Money, Prices, Credit, and Banking

From the Federal Farm Loan Board have been received pamphlets entitled *New Mortgages for Old* (second edition, Feb. 9, 1917, pp. 13); *How Farmers May Form a National Loan Association* (1916, pp. 8); and *The Farm Loan Primer* (1916, pp. 12).

The federal Department of Agriculture has published, as Farmers' Bulletin No. 792, *How the Federal Loan Act Benefits the Farmer* (1917, pp. 12), by C. W. Thompson.

The Extension Service of the Massachusetts Agricultural College has published *National Farm Loan Associations, What They Are, How They May Be Formed, The Benefits to be Derived* (Amherst, 1917, pp. 16); and *By-Laws for National Farm Loan Associations* (pp. 4).

The State Colonization and Rural Credits Commission of California has issued Circular No. 1 on *Land Settlement and Rural Credits; The Need for an Investigation in California* (Sacramento, 1916, pp. 8); and *Report of the Commission on Land Colonization and Rural Credits* (Nov. 29, 1916, pp. 120), in which there is a chapter on "Methods of land settlement enterprises and experiences of settlers"; a second on "Problems of tenantry and farm labor"; and a third on "Methods and policies of other countries."

The Mechanics and Metals National Bank (New York City) has published a circular on *Proposed Amendments to the Federal Reserve Bank.*

A. B. Leach & Co., of New York, have published a pamphlet on foreign exchange, *To-day's Topic, To-day's Opportunity*, in which a con-

siderable amount of data relating to exchange rates is summarized and tabulated.

The *Annual Report of the Jewish Agricultural and Industrial Aid Society,* 1916 (174 Second Ave., New York), notes the expansion of the work of this society. Virginia has been added to the field of operations of the loan department. Out of $2,065,000 loaned, the loss thus far during seventeen years has been $64,000, or a little over 3 per cent.

The Massachusetts Special Commission on the Cost of Living has made a report on *Bread* (Jan. 17, 1917, pp. 17); on *Relation of Transportation to Prices* (Jan. 22, pp. 6); on *Department Stores* (Jan. 23, pp. 3); and a *Final Report* (Feb. 15, pp. 14).

The *Proceedings of the Fifth Annual Convention of the Investment Bankers Association of America held October 2, 3, and 4, 1916* (Chicago, 111 West Monroe St., 1916, pp. 293), besides the verbatim report of proceedings, includes a paper on the tax situation in Ohio, New York, and Massachusetts and reports of the public utility securities commission and the municipal securities commission with a proposed model municipal bond act.

Among banking documents are to be noted:

Seventh Annual Report of the Superintendent of Banks in California, 1916 (Sacramento, pp. 611).

Statement Showing the Condition of Illinois State Banks, November 18, 1916 (Springfield, pp. 423).

Fourth Annual Report of the Banking Commissioner of Kentucky, 1915-1916 (pp. 149).

Twenty-fifth Annual Report of the State Banking Board of Nebraska (1916, pp. 421).

Annual Report of the Board of Bank Commissioners of New Hampshire (Concord, 1916, pp. 388).

Report on Banks of Deposit and Discount, and Private Banks, by the Superintendent of Banks of the State of New York (Albany, pp. 460).

Tenth Annual Report of the State Bank Examiner of the State of Washington, December 31, 1916 (Olympia, 1917, pp. 42). With this is a separate containing the new banking code approved March 10, 1917.

Public Finance

Pittsburgh Committee on Taxation Study. The extension of the functions of cities and the insistence upon the more adequate perform-

ance of old functions are putting heavier pressure upon municipal revenues. City officials are feeling the necessity of increasing revenues by searching out new sources of income or by utilizing more fully those already existing and of adjusting more equitably the burdens of taxation among the taxpayers. In pursuance of these objects the city council of Pittsburgh in 1916 authorized the appointment of a Committee on Taxation Study to investigate the tax system and to submit recommendations to the council. Mr. William Price was chairman of the committee and Professor John T. Holdsworth was chairman of the subcommittees on planning and formulation of the report. The results of the investigation have just been published in a pamphlet which contains matters of interest to other cities. (*Report of the Committee on Taxation Study to Council of the City of Pittsburgh, Pennsylvania,* 1916, pp. 105.)

The limits of this review preclude as full a discussion of the contents of the report as its importance would justify. The committee recommends first the retention of the so-called graded tax on real estate which provides for the gradual reduction of the rate upon buildings until it becomes equal to one half of the rate on land. The economic results of this law have been obscured by the effects of other recent changes in the taxation of real estate in Pittsburgh and the committee believes that the experiment "should be given full and fair trial."

In discussing the question of local administration the committee urges the adoption of a more scientific and equitable system. "A mere statement of the way properties are assessed indicates: first, wasteful duplication of work; and second, the complete lack of modern methods, rules and equipment for arriving at uniform and equitable assessments." The committee favors the consolidation in one board of the duties of assessing all property within the county; the consolidation in one office of the duties of collecting city and county taxes; the substitution of annual for triennial assessments; the adoption of modern methods of assessment including the section, block, and lot system; improvement in the collection of delinquent taxes; and greater publicity in assessment and taxation matters.

The report relates the question of "zoning" to taxation by showing that public regulation of the use of real estate is necessary "to prevent the needless destruction of these values" and that the absorption of suburban districts "whose inhabitants make their living in the city, but now pay no taxes for the city privileges which they enjoy" would increase city revenues. It also favors a constitutional amendment and statutes authorizing excess condemnation.

Tables in the report show that almost one fifth of the value of real estate is exempt from taxation. The committee criticises the existing method of granting exemptions and discusses the economic basis of exemption and the lines along which a "radical revision of the whole exemption system" may be attained. It also advocates the taxation of the local real estate of public utility corporations, now exempt, at the same rate as other real estate upon assessments made by state officers.

It recommends that special services rendered by the city to private concerns or individuals should be made self-sustaining; that larger revenues should be obtained from the rental and use of city property and that the automobile license tax should be increased by 50 per cent and that 30 per cent of the total proceeds should be distributed to the city.

The abolition of the following impositions is recommended: "the mercantile license tax, which is wrong in principle and necessarily bad and costly in practice;" the occupation tax, "which costs more to assess and collect than the amount of the collections"; and the personal property tax as soon as a graduated income tax, or a graduated direct inheritance tax, or both, can be secured.

The committee approves the present practice of deriving state revenues from the tax on corporations but suggests some desirable changes.

The committee investigated the operation of the law imposing a four-mill tax on intangibles and concludes that there is much evasion and that the tax as administered is inequitable. While granting that a more efficient collection of the tax would result from a greater centralization of assessments, it holds "that even with this kind of centralization the present system of taxing intangibles in this state cannot be administered to accomplish results as fair and satisfactory as can be secured by means of a graduated income tax." This discussion and the conclusion of the committee will be of especial interest to those persons in other states who are seeking a substitute for the personal property tax.

Probably the most important recommendations of the committee are those relating to the taxation of inheritances and incomes. In a concise but convincing way it is urged that the present law taxing collateral inheritances should be extended so as to include the taxation of *direct* inheritances and that the "tax rate should be made progressive, both with respect to the size of the inheritance and with respect to the degree of relationship of the heir." The committee further recommends the adoption of a state income tax with the following features: progressive

rates; low exemption; "information at the source"; the inclusion at the outset of individuals only; the application of the personal property tax paid by an individual on his income tax; the distribution of the proceeds (excepting an amount to cover expenses of administration) to the local governments; and a tax commission or commissioner to administer the law and to appoint income assessors.

The appendix contains an interesting discussion of the income tax with an analysis of the tax laws of Wisconsin and Massachusetts and the proposed law in New York, an instructive account of the tax system of Pennsylvania, and an explanation of the New York system of assessing real estate.

WILLIAM A. RAWLES.

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The *Governor's Budget Estimate* of the State of New York, transmitted January 3, 1917 (pp. 75), marks a new step in state finance, being authorized by the act of 1916.

The New York State Tax Bulletin, Vol. I, No. 5, issued by the State Tax Department, contains a *Review of Local Assessments, 1916* (Nov., 1916, pp. 66).

The *Twenty-Sixth Annual Report of the New York Tax Reform Association* gives a summary of tax legislation in New York during the year 1916 (29 Broadway, pp. 8).

The two lectures which William A. Prendergast, Comptroller of the City of New York, delivered at New York University in March, 1916, on *Financing the City of New York,* have been reprinted as a pamphlet (pp. 41). This is a valuable contribution to the subject of municipal finance, making a useful generalization of the principal facts as to the budget, borrowing policy, debt, and sinking funds.

The Minnesota Tax Commission has published advance sheets on *Comparative Cost of State Government,* by Professor R. G. Blakey (St. Paul, 1916, pp. 78).

The *Fifth Annual Report of the Colorado Tax Commission* (Denver, 1916, pp. 264) refers to the unsuccessful efforts to abolish the Colorado Tax Commission, and contains the report at length of the survey committee of state affairs which engaged Dr. Robert M. Haig, of Columbia University, to make a survey and appraisal of the revenue system of the state. This is an interesting summary of more than local value.

The *Fifth Report of the Tax Commission of Kansas* (Topeka, Jan. 9, 1917, pp. 83) recommends an amendment to the legacies and successions tax law, the establishment of county assessors, and the collection of statistics of mortgage indebtedness. On pages 22-53 is reprinted an address by M. M. Flannery before the National Tax Association on "Amendments to the tax laws of other states," giving rates and exemptions. On pages 55 and 56 are tables, showing the methods of taxing intangible property in the different states. Pages 57-68 deal with the tax on legacies.

The *Report of the Kentucky Tax Commission,* a special commission appointed in 1916 (Frankfort, 1916, pp. 42), recommends the appointment of a central board or tax commission which should be responsible for the assessment of all property. The present method of equalization is regarded as defective. The draft of the act to carry out this suggestion, as well as other recommendations, is included in this report.

The *Annual Report of the State Tax Commission of New York for 1916* (Albany, 1917, pp. 81) notes that the increase in assessed values of real property amounted to over $328,000,000 during the year, and it is believed that this justifies the retention of the present policy.

The *Ninth Report of the Board of State Tax Commissioners and State Board of Assessors of Michigan* (Lansing, 1916, pp. 89) describes the progress which is being made in cash value assessments.

The *Seventh Report of the Tax Commissioner of Texas, 1915* (Austin, pp. 54), contains a summary of the constitutional provisions of the state in regard to taxation.

The *Biennial Report of the Commissioner of Taxes of Vermont* (Rutland, 1916) is almost exclusively devoted to statistical tables.

The *Sixth Biennial Report of the State Board of Tax Commissioners of Washington* for 1916 (Olympia, 1916, pp. 139) deals (pp. 7-10) with the workings of the inheritance tax of that state. Several pages are devoted to the subject of valuation of public service properties. The commission recommends that under the general property tax, property should be valued at its full market value.

The *Eighth Biennial Report of the Wisconsin Tax Commission* (Madison, 1916) reviews the working of the income tax (ch. 3); recommends the substitution of county for local assessors, and the repeal of the personal property tax; discusses municipal accounting and auditing (ch. 7). Chapter 8 deals with the subject of government expenditures with per capita tables worked out.

Among other tax documents and pamphlets to be noted are: *Report of the State Board of Equalization of California for 1915-1916* (Sacramento, pp. 148); *Report of the Committee on Exemptions of Real Property made at the Seventh New York State Conference on Taxation held at Rochester January 11, 1917* (pp. 26); *The Federal Estate Tax Law and Regulations* (New York Guaranty Trust Company, pp. 53); and *The Excess Profits Tax Law* (New York Guaranty Trust Company, pp. 18).

Insurance

The *Report of the Nevada Industrial Commission, 1913-1916* (Carson City, 1917, pp. 107) reviews the administration of the Nevada industrial insurance act for a period of three years.

Bulletin No. 3 of the Workmen's Compensation Bureau of Pennsylvania contains its *Rules and Rulings* (Harrisburg, 1916, pp. 32).

The following insurance pamphlets have been received from the Insurance Society of New York: *The Commission Clause,* by William J. Greer (1917, pp. 18); *Use and Occupancy; Profits and Commissions; Rents and Leasehold Insurance,* by L. Levy (1917, pp. 15); *Cancellation and Substitution,* by M. Conboy (pp. 33).

The subject of Social Insurance is discussed in pamphlets by Edson S. Lott, President of the United States Casualty Company; *Politics v. Workmen's Compensation Insurance* (1916, pp. 12); *Fallacies of Compulsory Social Insurance,* an address delivered before the American Association for the Advancement of Science, December 28, 1916 (pp. 11); *Different Methods of Workmen's Compensation Insurance* (1916, pp. 14).